

The W. O. Weekly News Service gives a brief summary of important matters affecting labor, according to the industrial, political, and judicial fields, and such other information that will benefit the trade union movement.

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WEEKLY NEWS SERVICE

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WASHINGTON, D. C., SATURDAY, JULY 4, 1935.

AGITATE!
EDUCATE!
ORGANIZE!

WHOLE NO. 743.

COMMON STOCK OWNERSHIP IS SPECULATIVE AND NOT A BUSINESS

When workers buy common stock in the concern that employs them they take the same risk as other holders of this paper.

Common stock carries no guarantee that dividends will be paid.

Dividends follow—if profits justify and the board of directors are so inclined—after all charges against the concern have been met and bondholders and preferred stockholders have been paid.

Wage earners who hold common stock should have no illusions that they are in a class apart from other holders of this stock, who buy for investment and speculation.

A worker is just as liable to lose his savings in the common stock of his employer as in the common stock of any other employer.

Workers are continuously advised to be cautious when they invest their savings, but they are not told that this

applies to the concern that employs them.

A failure to call the workers' attention to this fact is not an oversight.

Stock issued in the form of dividends to check unrest. Its purpose is to keep the workers' attention riveted to a few dollars that may possibly be paid them in the form of dividends while they ignore the certainty—through trade unionism—of substantial wage increases.

Another illusion that wage-earning stockholders are asked to believe is that they will eventually control the plant because preferred and common stockholders dictate the policy of corporations.

If these workers understood how financiers operate they would know that a majority of the stock is in the possession of a powerful few, who are also the bondholders. A bond is another name for mortgage. If interest on these bonds is not paid the bondholders foreclose—they throw the concern into bankruptcy.

In large corporations there is considerable common stock sold to the public but not enough to endanger the control by "insiders." The few who hold a majority of this stock elect the board of directors, issue additional stock, and lower dividends on the common stock, and, if business is poor, "pass" the stock to the public.

At the 1923 meeting of steel trust stockholders, 100 were present. They represented 4,515,608 shares. The chairman of the board of directors, together with three other persons, held 234,702 shares. Other officials of the steel trust held large blocks, as did representatives of banking houses.

These stockholders understand what is to be done at annual meetings—and they know how to do it. They had to be a formality to comply with the law.

No practical man would say that steel trust employees could pool their few individual shares of stock and come into that meeting with sufficient power to

affect the corporation's anti-union policy. These employees are limited in the number of shares they may own. They are not allowed to even unite to protest against conditions that endanger their lives.

If workers were as realistic as fact-finding employers they would not forget that they are wage earners when flatteringly referred to as "capitalists."

It is significant that employees of union labor never urge employees to buy stock in the concern.

If non-union workers would buy common stock, let them do so with their eyes open. Let them realize they are investors and speculators, just as is any other purchaser of common stock.

Let them refuse to be content with degrading conditions because they are paying on the installment plan for a few shares of stock that may—and may not—annually increase a few dollars more than a government bond or a savings bank account.

Thread Workers Resist Wage Cut; Company Has Large Cash Surplus

Providence, R. I., July 4.—In a leading editorial article the Providence News approves the strike against wage reductions by employees of the American Thread Company in Williamstown, Conn. The editorial declares that the company "outrages the fundamental principles of industrial peace" and that the strike is as just "as was ever called." The public is urged to assist the strikers.

The "Williamstown" did not strike because they were refused higher wages, the News says. "They did not even strike when they were refused even the wages they were getting in their wages was threatened in mid-winter. They struck only when the industrial concern which they were refused refused even to let the case pass between themselves and the company to arbitration."

The concern which this outrage of the fundamental principle of industrial peace is known as the American Thread Company, Inc., in reality it is controlled by the English sewing cut company, Ltd.

Thomas F. McMahon, president of the United Textile Workers, states that concern to treat the workers of Lancashire or Yorkshire as they are treating the workers in Williamstown, 10,000 of whom are threatened with eviction.

If it is possible to do here what it

PURPOSES OF UNIONS DIFFER FROM CAPITAL

Buffalo, N. Y., July 4.—The purposes of organized labor and organized capital are fundamentally different, according to the American Federation of Labor, president of the A. F. of L. in an address to the National State Christian Endeavor Union in this city.

"The purpose of the union is to protect the interests of the worker," said President Green, "and to advance the human, intellectual and social interests of working men and women."

"Unlike organized capital, which has for its purpose the exploitation of industry for the main purpose of making money, the union is organized to improve the conditions of the worker and to create opportunities for social, educational and intellectual advancement."

"I am sure no one will deny that organized labor is a force for improving the economic, industrial and social lives of the workers. That fact is the basis of the union's existence."

In an appeal for a better understanding of the union's purposes, President Green said:

"Organized labor is not a selfish organization which seeks to advance its own interests at the expense of the community. It is a force for the betterment of the whole society."

FIRM CITED BY FEDERAL BOARD FOR MAKING FALSE UNION CLAIM

Washington, July 4.—If a firm wrongfully advertises that its goods are made by union labor, it may be cited by the Federal Trade Commission for making false union claims.

The commission established this precedent when it ordered the non-union Bell cap company of New York City to show cause why it should not be ordered to cease its misleading practice.

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MUCH MEXICAN LAND IS WRONGFULLY HELD

Mexico City, July 4.—Secretary of State Kellogg's recent statement that Mexico comes at a time when the Mexican government is ready to return vast areas of land that were turned over to foreign syndicates by President Diaz.

A concession of 175,000 acres to Pearson & Sons, Ltd., England, illustrates how land of the Mexican people was taken from them by the aid of reactionary officials.

The English concern contracted with Diaz in 1904 to build a railroad in the state of Vera Cruz. As a subsidy the company would receive the right of way on both sides of the railroad for a distance of eight miles (a mile) of road. During the next six years the company built 28 kilometers of the railroad from the government 175,000 acres of land in one of the most fertile parts of Vera Cruz.

The contract stipulated that the road should be operated and a general transportation business between El Jaltaco and San Juan Evangelista. The company abandoned the road in 1912, and it has been out of operation since that time.

The company, however, enjoys possession of the land and the rich income. The Mexican government is now taking steps to recover the land.

It is predicted that the world will again be startled by another claim that "property of foreigners has been confiscated by the Calles regime."

PARTIES DON'T CAUSE GOOD OR BAD TIMES

New York, July 4.—No political party is responsible for good times or bad times, says a writer in the New York Times.

The notion that property can be traced to politics, Mr. Hughes says, has been proved to have not the slightest foundation. It has merely gained its wide acknowledgment through the use of this slogan by the party in power.

The two big political parties have an equal split of good and bad in their country's history. "If the half year's development in business has enabled us to say anything it is that no political party is responsible for the state of our country."

The year was ushered in with exaggerated optimism in business and confidence in the future. Industry quickly followed the lead of the stock market in many branches and has brought about a general recovery of business. Trade, in the main, has been disappointing.

The political situation of the country has been a source of anxiety to many. The political situation of the country has been a source of anxiety to many.

TELEGRAPHS DUPED BY COMPANY 'UNION'

Philadelphia, July 4.—Railroad telegraph union, and George W. Perkins, president of the Cigar Makers' International Union.

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"Pool Your Insurance Interests" Is Probers' Advice To Workers

Washington, July 4.—The A. F. of L. has advised workers to pool their insurance interests to protect themselves against the possibility of a federal tax on inheritance.

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Too Many Mills In Steel Industry; Hawk-Eyed Editor Ignores Waste

New York, July 4.—In urging independent steel producers to combine, the Wall Street Journal ignores its oft-repeated claim that an elastic immigration law is necessary for that industry.

The W. S. J. says the present steel production rate of 50 per cent of mill capacity "is not far below production in some of the most prosperous steel years in the past."

In other words, 30 per cent of the nation's steel production equipment was idle "in some of the most prosperous years, when immigration was unrestricted, and when these aliens landed on our shores at the rate of 1,000,000 a week."

This publication also declares that "too much capacity is the main trouble, and when there is too much capacity there should be regulation in the matter of prices, costs and production."

The editor never fails to raise an alarm when he suspects a trade unionist does not work at top speed. "This is a waste!" he shrieks. But when the public must pay for a 30 per cent equipment surplus in the steel industry the criticism is heard.

The steel trust has an annual input capacity of 22,000,000 tons. The newly-formed combine of Charles Schwab has an annual capacity of 1,600,000 tons. These two produce more than 55 per cent of the country's total.

The mills outside of the two combines are slashing prices and the Wall Street Journal calls on them, in regular trade union fashion, to unite.

For public consumption, the W. S. J. will periodically exploit its favorite fiction that free immigration will permit the mills to operate 100 per cent.

Between friends, however, it is understood that "too much capacity is the main trouble"—that the power to produce is greater than the people's power to consume.

SEAMEN'S TRIBUTE TO "FIGHTING BOB" RIDICULED BY WALSH

By VICTOR J. GLANDER
International Seamen's Union of America

Seafaring men on all the seven seas and in the ports of every nation mourn the passing of the late Captain John J. Walsh, a true friend of the seaman.

It was La Pollette who had the greatest of all hearts. He was the one who had the greatest of all hearts.

FACTORY INSPECTORS SHOULD POSSESS SKILL

Albany, N. Y., July 4.—Factory inspectors of experience and skill are favored by the state industrial commission. The state civil service commission is asked to join with the council in a discussion of the importance of skill in the selection of factory inspectors.

The council was appointed by Governor Smith and consists of five representatives: trade unionists and an equal number of employers.

TAX PRIVACY ENDED

Washington, July 4.—Judge Hoehling has ruled that all papers concerning tax cases that are appended to the federal board of tax appeals are public property and are open to inspection to prevent any one from examining them.

The court claimed that this decision is as important as the case regarding the right of the public to inspect the records of the federal board of tax appeals.

LIEN LAW ILLEGAL

Olympia, Wash., July 4.—The Washington state supreme court has ruled that the lien law of this state is unconstitutional.

The court holds that the act is an unconstitutional deprivation of property without compensation.

TO PROBE DEADLY GAS

Washington, July 4.—The group of scientists who will investigate health hazards in the sale of gas in the state of Washington have outlined a plan of procedure.

It is claimed that many workers employed in the manufacture of gas have been ill from the gas.

RUSSIA AIDS COMMUNIST PLOTS IN Effort To Wreck the Unions

New York, July 4.—A deficit of several hundred thousand dollars annually incurred by the 14 party communist in its propaganda campaign in this country is said by the Russian communists to be the above is one of several sensational statements contained in a manifesto issued by the International Ladies' Garment Workers' Union in New York.

The manifesto asserts that the union would be ignored by the communists for the fact that behind them stands the entire machinery of the state.

UNIONS ARE ACTIVE

Vancouver, B. C., July 4.—Trade unionists in this city point to their success as proof that agitation and education pay. During the last 11 months there have been organized more than 2,500 new members in these locals and in those already organized.

GLAZIERS ARE ON STRIKE

St. Paul, Minn., July 4.—Glaziers and painters in this city are on strike for 35 cents an hour and a 44-hour week.

The strike is the result of a dispute over wages and hours.

WEAKEN LABOR LAW

Minneapolis, July 4.—The attorney general of this state has ruled that the minimum wage law does not apply to women over the legal age.

The ruling is based on a technical interpretation of the law.

PAINTERS FAVOR CONVENTION

Lafayette, Ind., July 4.—A referendum on the question of a convention of the Brotherhood of Painters and Decorators was held in this city.

The referendum was held to decide whether or not to hold a convention.

ACTIVE AT PORTLAND

Portland, Ore., July 4.—Local trade unionists are active in the city.

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WAGE DRIVERS RAISE WAGES

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